

## Message Text

UNCLASSIFIED

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ACTION EA-12

INFO OCT-01 ISO-00 SP-02 ICA-20 AID-05 EB-08 NSC-05  
TRSE-00 SS-15 STR-07 OMB-01 CEA-01 L-03 CIAE-00  
COME-00 FRB-01 INR-10 NSAE-00 XMB-04 OPIC-06  
LAB-04 SIL-01 PA-02 /108 W  
-----057153 100620Z /10

R 100534Z MAY 78  
FM AMEMBASSY TOKYO  
TO SECSTATE WASHDC 7759

UNCLAS SECTION 01 OF 02 TOKYO 08324

PASS FEDERAL RESERVE BOARD AND TREASURY

E.O. 11652: N/A  
TAGS: EFIN, JA  
SUBJECT: CHANGES IN JAPANESE INTEREST RATES

REF: TOKYO 17196 (1977)

1. SUMMARY: THIS CABLE RECAPS CHANGES IN IMPORTANT INTEREST RATES IN JAPAN SINCE NOV 4, 1977. GIVEN FAIRLY SUBSTANTIAL CHANGES IN RATES DURING PAST FEW MONTHS ASSOCIATED WITH MARCH DISCOUNT RATE CUT, EMBASSY BELIEVES INTERESTED WASHINGTON AGENCIES MAY FIND IT USEFUL TO BRING REFTEL UP TO DATE. END SUMMARY.

-	EFFECTIVE
-	DATE
-	NEW OLD REDUCTION (LATEST
-	RATE RATE (NOV 77- CHANGE)
-	(5/8/78)(11/4/ MAY 78)
-	77)

(1) SHORT-TERM LENDING

RATES:  
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BOJ OFFICIAL DISCOUNT RATE 3.5 4.25 0.75 3/16

COMMERCIAL BANK  
PRIME LENDING RATE 3.75 4.5 0.75 3/20

CALL MONEY RATE

(UNCONDITIONAL) 4.125 4.625 0.5 4/5

(2) LONG-TERM LENDING

RATES:

TRUST FUND BUR

LOANS (7 YEARS

OR MORE) 6.05 6.5 0.45 5/1

GOVT-AFFILIATED FINANCIAL INSTITUTIONS (STANDARD LENDING  
RATE UNLESS OTHERWISE INDICATED):

JAPAN DEVELOPMENT BANK:

(I)STANDARD LENDING

RATE 7.1 7.6 0.5 3/27

(II) SPECIAL LENDING

RATES 6.05- 6.5- 0.45 5/1

- 7.05 7.5

PEOPLES FINANCE CORP. 7.1 7.6 0.5 3/27

SMALL BUSINESS FINANCE

CORP. 7.1 7.6 0.5 3/27

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HOKKAIDO AND TOHOKU

DEVELOPMENT CORP. 7.1 7.6 0.5 3/27

CENTRAL BANK FOR COM-  
MERCIAL AND INDUSTRIAL

COOP.(5 YRS AND MORE) 7.3 7.8 0.5 3/27

JAPAN EXIMBANK (MIN

AND MAX RATES) 6.0- 6.0- 0

- 9.0 9.0

OTHER LONG-TERM

LENDING RATES:

HOUSING LOANS (CITY

BANKS, 20 YRS) 7.62 7.92 0.3 4/10

CONSUMER LOANS (CITY

BANKS, 2 YEARS) 9.25 10.25 1.0 6/1

(3) SAVINGS DEPOSIT RATES:

BANK DEPOSITS:

ORDINARY DEPOSITS	1.00	1.50	0.5	4/17
DEPOSITS AT NOTICE	1.25	1.75	0.5	4/17

DEPOSITS AT DEPOSITS FOR TAX

PAYMENTS	1.75	2.25	0.5	4/17
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SPECIAL DEPOSITS	1.00	1.50	0.5	4/17
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TIME DEPOSITS:

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ACTION EA-12

INFO OCT-01 ISO-00 SP-02 ICA-20 AID-05 EB-08 NSC-05

TRSE-00 SS-15 STR-07 OMB-01 CEA-01 CIAE-00

COME-00 FRB-01 INR-10 NSAE-00 XMB-04 OPIC-06

LAB-04 SIL-01 L-03 PA-02 /108 W

-----057173 100620Z /16

R 100534Z MAY 78

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 7760

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3 MONTHS	2.50	3.25	0.75	4/17
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6 MONTHS	3.75	4.50	0.75	4/17
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1 YEAR	4.50	5.25	0.75	4/17
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2 YEARS	4.75	5.50	0.75	4/17
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1 YEAR FOR WELFARE

PENSION RECEIVERS

(EFFEC UNTIL 11/15/78) 6.75 6.75 0

POSTAL SAVINGS:

ORDINARY SAVINGS	2.40	2.88	0.48	4/25
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INSTALLMENT SAVINGS	3.00	3.72	0.72	4/25
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TIME SAVING (1 YR) 4.50 5.25 0.75 4/25

SAVING CERTIFICATES:

6 MONTHS AND MORE 3.00 3.75 0.75 4/25

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1 YR AND MORE 3.50 4.25 0.75 4/25

1 YR AND HALF AND MORE 4.25 5.0 0.75 4/25

2 YRS AND MORE 4.60 5.3 0.70 4/25

3 YRS AND MORE 4.75 5.5 0.75 4/25

DEPOSITS WITH TRUST

COMPANIES:

LOAN TRUST, PROVISIONAL

DIVIDEND RATES:

5 YEARS 6.22 6.72 0.5 4/21

2 YEARS 4.95 5.70 0.75 4/21

DESIGNATED MONEY IN TRUST, PROVISIONAL DIVIDEND RATES:

5 YRS OR MORE 6.03 6.53 0.5 3/26

2 YEARS OR MORE 4.8 5.55 0.75 3/26

1 YR OR MORE 4.5 5.25 0.75 3/26

(4) BOND YIELDS AND COUPON ISSUE YIELD TO EFFECTIVE

OTHER RATES: RATE PRICE SUBSCRIB- DATE

- (PCT) (YEN) ERS (LATEST

- CHANGE

(AA RATED, 12 YRS) (6.9) (99.75) (6.938)

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INTEREST-BEARING GOJ 6.1 99.50 6.180 APR ISSUES

BONDS (10 YRS) (6.6) (99.50) 6.683)

DISCOUNT GOJ BONDS

(5 YEARS) - 75.75 5.711 APR ISSUES  
(74.00) (6.207)

GOVT-GUARANTEED 6.2 99.75 6.240 APR ISSUES  
BONDS (10 YEARS) (6.7) (99.75) (6.741)

LOCAL GOVT BONDS 6.2 99.50 6.281 APR ISSUES  
(10 YEARS) (6.7) (99.50) (6.783)

GOVT SHORT-TERM BILLS 3.375 99.44 3.393 MAR ISSUES  
(60 DAYS) (4.125) (99.32) (4.153)

BANK DEBENTURES:

5-YEAR INTEREST- 6.2 100 6.2 APR ISSUES  
BEARING (6.7) (100) (6.7)

1-YEAR DISCOUNT 4.87 99.11 5.141 APR ISSUES  
(5.54) (99.44) (5.887)

NOTE: ISSUE CONDITIONS AS OF OCT 1977 SHOWN IN PAREN BELOW  
NEW ISSUE CONDITIONS. MANSFIELD

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INTEREST RATES, AMENDMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 may 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978TOKYO08324  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780197-1074  
**Format:** TEL  
**From:** TOKYO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780571/aaaacixf.tel  
**Line Count:** 246  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 213230a1-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 TOKYO 17196  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29 mar 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2729922  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CHANGES IN JAPANESE INTEREST RATES  
**TAGS:** EFIN, JA  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/213230a1-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014